

Congress of the United States
Washington, DC 20515

July 26, 2021

The Honorable Gina M. Raimondo
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Avenue NW
Washington, D.C. 20230

Dear Secretary Raimondo:

We write to you regarding the antidumping (AD) and countervailing duty (CVD) orders on steel trailer wheels from China, specifically on the question currently before the Department of Commerce regarding whether the scope of these orders cover wheel parts produced in China and assembled in a third country.

We urge you to conduct a thorough and meaningful examination of this question. The basis of this question is whether Chinese producers will be allowed to thwart the intent of existing orders by shifting final assembly of a product to a third country (in this case to Thailand), while continuing to use Chinese-made parts as a major input to the finished product shipped to the U.S. market.

The AD and CVD orders on Chinese steel trailer wheels are an example of how U.S. trade laws are intended to work: the domestic industry producing such wheels had almost entirely shifted overseas due to artificially low-priced Chinese imports when the orders were obtained by the final remaining U.S. member of that industry, Dexstar Wheel, and its parent, Americana Tire & Wheel, headquartered in Columbus, Ohio. Because of these orders, Dexstar Wheel has been able to expand its operation and reinvest in its workforce and community. In another positive sign, additional U.S. producers have reappeared because of these orders. This is welcome news for the industry and its workers.

We remain concerned about what we understand are trends by Chinese producers who seek to evade the orders by nominally moving production to a third country, but performing only the minimal production steps needed to avoid the orders. In this case, those Chinese producers ask the Department of Commerce to sanction this artifice by ruling that wheels that are partially made in China are outside the scope of the orders.

This matter is important to the U.S. industry and we ask that you give careful consideration to this scope request. The scope of the orders on Chinese steel trailer wheels was intended to prevent future abuse by covering parts of this product exported from China, as well as the finished wheels. The scope also expressly covers Chinese wheel parts that undergo further

processing in a third country, specifically to address situations such as this one. We urge the Department of Commerce to assure that the full protection of U.S. trade laws is not diminished by creating unintended gaps in their coverage through scope decisions.

Ohio has a strong and proud manufacturing history. We want to be certain that Dexstar Wheel and other American manufactures and their employees are provided every opportunity to compete on a level playing field. Further, we believe it is important that the Department take the appropriate steps to ensure that the orders in place are not evaded or impacted by any decision that could have a negative outcome for the domestic industry.

Thank you for allowing us to express our views on this important matter.

Sincerely,

A handwritten signature in blue ink that reads "Sherrod Brown". The signature is written in a cursive style and is positioned above a thin horizontal line.

Sherrod Brown
United States Senator

A handwritten signature in blue ink that reads "Rob Portman". The signature is written in a cursive style and is positioned above a thin horizontal line.

Rob Portman
United States Senator

A handwritten signature in black ink that reads "Tim Ryan". The signature is written in a cursive style and is positioned above a thin horizontal line.

Tim Ryan
Member of Congress

A handwritten signature in blue ink that reads "Joyce Beatty". The signature is written in a cursive style and is positioned above a thin horizontal line.

Joyce Beatty
Member of Congress